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CENTRAL INTELLIGENCE AGENCY
SOURCE METHOD EXEMPTION 3B2B
NAZI WAR CRIMES DISCLOSURE ACT
DATE 2007

APPROVAL - FY 90 OPERATIONAL ACTIVITY - QRPLUMB

ACCOMPLISHMENTS

While publishing remains the primary objective of QRPLUMB, FY 89 is notable for the increase in support to the politically active informal groups in Ukraine, particularly to the moderate and democratic Ukrainian Helsinki Group. QRPLUMB provided 15 video camera/recorders to cooperative Ukrainians who filmed demonstrations in Ukraine for distribution to sympathetic Western news media and re-infiltration. Other equipment provided includes one telefax, five computers, two Xerox machines, and 10 copies of Ukrainian language software. QRPLUMB operates a fax machine between its London office and the Ukrainian Helsinki Group permitting timely exchange of news information.

The QRPLUMB monthly journal is gaining professional respect inside Ukraine with an estimated 50 percent of the press run of 1,800 per issue reaching the USSR. A growing number are mailed directly to the Soviet Bloc. Four issues of the journal are reprinted in Poland for direct distribution to the Ukrainian population in Poland who in turn send copies to Ukraine, a very cost effective activity. Other publications include a semi-annual journal in Russian which reports on Ukrainian affairs, reprints of news articles into Ukrainian for distribution and books of high interest to Ukrainian readers.

The Ukrainian elections offered an opportunity to develop new contacts among politically active groups. Although the short time between the announcement and the voting for the People's Congress limited QRPLUMB opportunities, the program served as an introduction for later elections.

PLANS

A budget increase will fund QRPLUMB support to moderate informal groups and candidates in the regional election for the Ukrainian Supreme Soviet, scheduled for the spring of 1990. QRPLUMB will provide training in the use of cost-effective silk-screen presses and supply materials, particularly paper, to aid moderate candidates. All support must be direct to Ukraine rather than from Poland or other countries to avoid any Soviet attempt to accuse "outside interests" of interfering in internal affairs.

QRPLUMB is considering holding a conference in Budapest on the history of Ukraine, and an increase in the print run of the QRPLUMB journal in Poland.

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QRPLUMB continues to consider moving most of its non-publication operations to a European venue. Both London and Munich offices will be expanded by one person and there will be more frequent travel to Europe by QRPLUMB principals.

The budget includes an increase for purchases of computers, fax machines, and printing equipment for infiltration into Ukraine. Funds will be provided separately as operational expenses (SOC 2555) rather than through the organization (SOC 2570) and accounted for by receipt. Any additional funds beyond those budgeted will be provided under proposed Operational Activity QRHACKER.

Conversion of QRPLUMB to a controlled subsidy will reduce the administrative burden and permit QRPLUMB to solicit legitimate research contracts from the private sector. This will not relieve the financial requirements, however, and QRPLUMB has been advised to hire a full time bookkeeper to work directly under the Treasurer.

PROBLEMS

A recent audit has identified some accounting deficiencies in the New Jersey and London offices which must be corrected. The addition of a full-time bookkeeper will help and cleared accounting professionals will be brought in to work out a more practical accounting procedure. A new computerized accounting system will be introduced. The London Office may be converted to a non-controlled subsidy to relieve the security problem of accounting and auditing an activity where we do not have direct contact with the principal agent because of operational reasons.

Relocation of major portions of non-publishing operations to Europe is presenting some difficulties. London, the most obvious location because of an already active, albeit small, office and presence of a young Ukrainian community, would necessitate concurrence from the liaison services. The Ukrainian communities in Munich and Paris are much smaller and of an older generation. QRPLUMB has been tasked to look at other venues.

SECURITY

There have been no security problems during the current year. A counterintelligence survey is in process and is expected to begin the review and coordination process in early August.

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SOURCE OF FUNDS

Approval is requested for funds in the amount of [] for FY 90 (FAN 28-4544). Funds in the amount of [] are available in the PPS budget for FY 90. FY 1991 and 1992 funds are requested in the amount of [] for each year.

ACCOUNTABILITY

Funds are accounted for in accordance with Agency regulations for regular operational funds. A Fiscal Plan has been prepared and is in the process of coordination.

As of 1 June, [] (75.8%) has been obligated (FAN 28-4544). It is anticipated that all funds will be obligated in FY 89.

BUDGET

SOC	FY 89	FY 90	FY 91	FY 92
Agency OPS - 2552	[]	[]	[]	[]
Subsidy - 2570	[]	[]	[]	[]
Total QRPLUMB Budget	[]	[]	[]	[]

PROPRIETARY BUDGET

Cash on hand	135,287	140,000	200,000	200,000
Income				
Subsidy (2570)	()	()	()	()
Other Income	75,000	175,000	175,000	175,000
Income	()	()	()	()
Fixed Expenses				
Salaries and Benefits	370,000	480,000	500,000	500,000
Rent and Admin	150,000	165,000	170,000	170,000
Total Fixed Expenses	520,000	645,000	670,000	670,000
Operating Expenses	683,287	807,000	902,000	902,000
TOTAL Expenses	1,203,287	1,452,000	1,572,000	1,572,000
Cash Balance	()	()	()	()

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7 December 1989

MEMORANDUM FOR: C/ORMS/OG

INFORMATION: C/PPS/SEO/SIB

FROM: [Chief, Central Cover Staff]

SUBJECT: Approval of FY 1990 OPACT Renewal for QRPLUMB

1. The Central Cover Staff concurs in the FY 1990 OPACT renewal for QRPLUMB. We note PPS's continuing steps to convert this OPACT from a proprietary to a controlled subsidiary, which follow formal DDO approval of those plans as stated in the FY 1989 OPACT renewal. Once the ownership of the corporation has been transferred, we ask that the new Administrative Plan be prepared for this controlled subsidiary.

2. Also, should PPS decide to administer the relationships between QRPLUMB and the London office and QRPLUMB and the Munich office as non-controlled subsidiaries, we ask that a Fiscal Plan be prepared.

for []

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